



**SOOD BRIJ AND ASSOCIATES**

*Chartered Accountants*

C 72, NDSE, 2 New Delhi-110 049

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**Independent Auditors' Report**

**To the Members of BLK Lifestyle Limited**

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **BLK Lifestyle Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss of the Company for the year ended on that date, the Cash Flow Statement of the Company for the year ended on that date and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

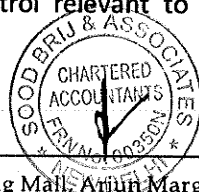
The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial



statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of

accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2016;
- (ii) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matters:-**

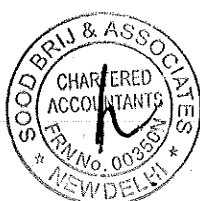
We draw attention to the following matters in the notes to the financial statements.

Note 4 to the financial statement which indicates that the Company has accumulated losses and its net worth has been completely eroded. The Company has incurred a net Loss / net cash loss during the current year and in previous year(s). These conditions indicate the existence of material uncertainty casting doubt about the Company's ability to continue as a going concern. However the financial statements have been prepared as a going concern basis.

Our opinion is not modified in respect of these matters.

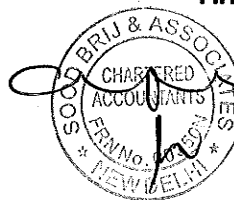
### **Report on other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditors' Report) Order 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we annexed hereto a statement on the matters specified in para 3 and 4 of the said order.
- (2) As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to separate report in Annexure 'B' and
- g) with respect to the other matters included in the Auditor's Report and to the best of our information and according to the explanations given to us:-
- (i) The company does not have any pending litigations which would materially impact its financial position.
  - (ii) The company does not have any term contracts including derivative contracts for which there are any material foreseeable losses.
  - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

**For Sood Brij & Associates  
Chartered Accountants  
Firm Regn. No. 00350N**



**A.K. Sood  
Partner  
M No.014372**

**Place : New Delhi  
Dated : 27<sup>th</sup> May 2016**

### **Annexure to the Auditors' Report**

The Annexure referred to in our Auditors' Report of even date on the accounts for the year ended 31st March, 2016 of BLK Lifestyle Limited, New Delhi in pursuance to the Companies (Auditor's Report) Order, 2016 on the matters specified in paragraphs 3 and 4 of the said order.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of information available.
- (b) The Company has a practice of physical verification of its fixed assets once in a year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. In accordance with such practice, the management has physically verified fixed assets at the year end and no material discrepancies were noticed on such verification.
- (c) Title deed of all immovable properties of the Company are held in Company's name.
- (ii) (a) As explained to us, the stores and material at different sites have been physically verified by the management at the year-end.
- (b) In our opinion and according to information and explanations given to us, the Procedures of physical verification of stores and material followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to information and explanations given to us, the Company has maintained proper records of its inventories. Discrepancies noticed on physical verification of inventories were not material and have been properly dealt with in the books of accounts.
- (iii) The Company has granted unsecured loans, to the companies, covered in the register maintained under section 189 of the Companies Act.
- (a) The terms and conditions of the grant of loan are not prejudicial to the company's interest.
- (b) The receipt of principal amount and interest are as per agreed terms and conditions.
- (c) As per agreed terms and conditions there are no overdue amounts.
- (iv) The Company has complied with provisions of section 185 and 186 of the Companies Act, in respect of loans, investments, guarantees and security.



(v) The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.

(vi) Maintenance of cost record u/s. 148(1) of the Companies Act, 2013 are not applicable on the Company.

(vii) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, there is no undisputed statutory dues outstanding for more than six months as on the date of Balance Sheet.

(b) According to the information and explanations given to us, there are disputed amount payable towards Income Tax, Service Tax, Central Excise, and Valued added tax as on the date of Balance Sheet in the following cases:-

Name of the Statute	Nature of Dues	Period to which the amounts relates	Disputed Amount Not Deposited (Rs. in Lac)	Forum Where the Dispute is pending
Central Excise, Jaipur	Central Excise	F.Y. 2009-10	2.01	CESTAT, Jaipur
Service Tax, Jaipur	Service Tax	F.Y. 2011-12	6.31	CESTAT, Jaipur
		<b>Total</b>	<b>8.32</b>	

(viii) The Company has defaulted in repayment of its dues to the Bank as under:-

Name of Bank	Interest Amount (Rs.)	Period of Default
IndusInd Bank Limited	941434	60 days

(ix) According to the information and explanation given to us, No money was raised by way of initial public offer and Term Loans.

(x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

(xi) No managerial remuneration has been paid by the Company as per provisions of Section 197 read with Schedule V of the Companies Act, 2013.

(xii) The Company is not the Nidhi Company and as such this clause is not applicable.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and are disclosed in the financial statements.



(xiv) The Company during the year has not made any preferential, private placement, of shares or fully or partly convertible debentures during the year.

(xv) The Company has not entered with any non-cash transaction with Directors or persons connected with them, during the year within the meaning of section 192 of the Companies Act, 2013.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Sood Brij & Associates  
Chartered Accountants  
Firm Regn. No. 00350N**



**A.K. Sood  
Partner  
M No.014372**

**Place : New Delhi**

**Dated : 27<sup>th</sup> May 2016**

## **Annexure-B to the Auditors' Report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **BLK Lifestyle Limited** ("the Company") as of 31<sup>st</sup> March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

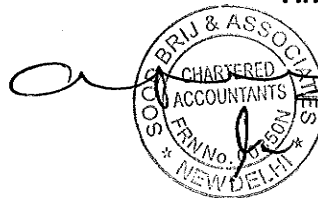
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sood Brij & Associates  
Chartered Accountants  
Firm Regn. No. 00350N**



**A.K. Sood  
Partner  
M No.014372**

**Place : New Delhi  
Dated : 27<sup>th</sup> May 2016**



# B L K LIFESTYLE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2016

( Amount in Rs)

Particulars	Note No.	Amount as at 31ST MARCH 2016	Amount as at 31st March 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
(a) Share capital	3	100,000,000	100,000,000
(b) Reserves and surplus	4	(105,677,149)	(88,027,264)
	A	(5,677,149)	11,972,736
<b>2 Non-current Liabilities</b>			
(a) Long-term borrowings	5	121,940,000	121,230,000
(b) Other Long term liabilities	6	138,148,917	114,603,115
(b) Long-term provisions	7	1,680,184	1,220,288
	B	261,769,101	237,053,403
<b>3 Current Liabilities</b>			
(a) Short-term borrowings	8	60,166,376	61,384,166
(b) Trade payables	9	54,202,773	44,806,391
(c) Other current liabilities	10	128,735,091	119,612,606
	C	243,104,240	225,803,163
<b>TOTAL( A+B+C)</b>		<b>499,196,192</b>	<b>474,829,301</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
1 (a) Fixed assets	11		
(i) Tangible assets		74,761,647	81,431,203
(ii) Intangible assets		7,638	15,373
(b) Deferred tax assets (net)	12	49,324,215	41,150,071
(c) Long Term Loans & Advances	13	48,000,000	45,000,000
	D	172,093,501	167,596,646
<b>2 Current Assets</b>			
(a) Inventories	14	146,888,597	134,168,500
(b) Trade receivables	15	108,806,887	103,540,218
(c) Cash and cash equivalents	16	12,839,134	12,557,021
(d) Short-term loans and advances	17	58,568,073	56,966,916
	E	327,102,691	307,232,655
<b>TOTAL (D+E)</b>		<b>499,196,192</b>	<b>474,829,301</b>

General Information & Significant Accounting Policies  
 Other Notes To Accounts  
 This is the Balance Sheet referred to in our report of even date

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The Notes are an integral Part of  
these Financial Statements

For Sood Brij & Associates  
 Chartered Accountants  
 Firm registration No 00350N

A.K. Sood  
 Partner  
 Membership No 14372



Place : New Delhi  
 Date : 27<sup>th</sup> May, 2016

For and on Behalf of the Board of Directors

Vinod Kashyap  
 Director  
 (DIN : 00038854)

Vineet Kashyap  
 Director  
 (DIN : 00038897)

Sharvan Kumar  
 Company Secretary  
 (M.No. A-39286)

Manoj Agrawal  
 Chief Financial Officer

# B L K LIFESTYLE LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

( Amount in Rs)

Particulars	Notes No.	Year Ended 31st March 2016	Year Ended 31st March 2015
I. Revenue from Operations	18	174,415,389	156,526,867
II. Other Income	19	7,113,568	8,365,336
III. Total Revenue (I + II)		181,528,957	164,892,203
IV. Expenses:			
Cost of Raw Materials Consumed	20	117,043,209	74,231,313
Changes in Inventories of WIP & Finished Goods	21	(344,987)	16,478,546
Sub - Contract Expenses		8,185,611	4,845,408
Other Manufacturing Expenses	22	11,499,496	38,771,533
Employee Benefits Expense	23	23,967,562	19,192,806
Finance Costs	24	22,246,945	26,365,601
Depreciation and Amortization Expense	11	8,602,380	22,885,684
Administrative & Other Expenses	25	16,212,606	14,627,203
Total Expenses		207,412,822	217,398,094
V. Profit before exceptional and extraordinary items and tax (III-IV)		(25,883,865)	(52,505,890)
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(25,883,865)	(52,505,890)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		(25,883,865)	(52,505,890)
X Tax Expense:			
(1) Current tax		-	-
(2) Deferred tax		(8,174,144)	(14,677,204)
(3) Prior Period Tax Adjustment		59,834	-
XI Profit (Loss) for the period from continuing operations (IX-X)		(17,649,887)	(37,828,686)
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		(17,649,887)	(37,828,686)
XVI Earnings per equity share			
(1) Basic		(3.53)	(7.57)
(2) Diluted		(3.53)	(7.57)
Face Value of each Equity Share		10.00	10.00

General Information & Significant Accounting Policies  
Other Notes To Accounts

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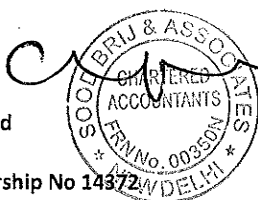
This is the Statement of Profit & Loss referred to in our report of even date

The Notes are an integral Part of these Financial Statements

For Sood Brij & Associates  
Chartered Accountants  
Firm registration No 00350N

For and on Behalf of the Board of Directors

A.K. Sood  
Partner  
Membership No 14372



Place : New Delhi  
Date : 27<sup>th</sup> May, 2016

Vinod Kashyap  
Director  
(DIN : 00038854)

Vineet Kashyap  
Director  
(DIN : 00038897)

Sharvan Kumar  
Company Secretary  
(M.No. A-39286)

Manoj Agrawal  
Chief Financial Officer

**BLK LIFESTYLE LIMITED : NEW DELHI**
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**
**( Amount in Rs)**

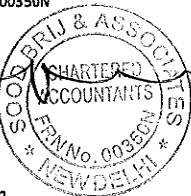
PARTICULARS	2015-16	2014-15
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & extra-ordinary items	(25,883,865)	(52,505,890)
Adjustment for :		
- Depreciation	8,602,381	22,885,683
- Provision for employee benefits	459,896	79,994
- Interest Expenses	22,246,945	26,365,601
- Profit From Partnership Firm	(714,252)	(715,386)
- Loss/(Profit) on Fixed Assets / Investments sold	-	1,389
- Interest Received	(5,556,742)	(4,585,629)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	25,038,228	44,031,652
Adjustment for :	(845,637)	(8,474,238)
- Decrease/(Increase) in Trade And Other Receivables	(9,867,826)	(2,095,311)
- Decrease/(Increase) in Inventories	(12,720,097)	9,628,120
- Increase/(Decrease) in Trade And Other Payables	42,064,670	17,436,993
CASH GENERATED FROM OPERATIONS	18,631,110	16,495,564
- Advance Tax / Wealth Tax Paid	(59,834)	-
NET CASH FROM OPERATING ACTIVITIES	18,690,944	16,495,564
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Proceeds from Sale of Fixed Assets	-	34,357
- Profit & Loss From Partnership Firm	714,252	715,386
- Interest Received	5,556,742	4,585,629
- Purchase of Fixed Assets	(1,925,090)	(1,534,922)
NET CASH (USED IN)/FROM INVESTING ACTIVITIES	4,345,904	3,800,451
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Proceeds from Borrowings	(507,790)	7,438,611
- Interest and Finance Charges Paid	(22,246,945)	(26,365,601)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(22,754,735)	(18,926,990)
NET INCREASE IN CASH AND EQUIVALENTS	282,113	1,369,026
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	12,557,021	11,187,995
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	12,839,134	12,557,021
Notes :		
1) Cash and cash equivalents include :-		
Cash, cheque in hand and remittance in transit	3,304,118	5,567,542
Balance with Schedule Banks, Cheques in Hand & Fixed Deposits	9,535,016	6,989,479
Total	12,839,134	12,557,021

This is the Cash Flow statement referred to in our report of even Date

 For Sood Brij & Associates  
 Chartered Accountants  
 Firm registration No 00350N

A.K. Sood

 Partner  
 Membership No 14372

 Place : New Delhi  
 Date : 27th May, 2016


For and on Behalf of the Board of Directors

 Vineet Kashyap  
 Director  
 (DIN : 00038854)


 Vineet Kashyap  
 Director  
 (DIN : 00038897)


 Sharvan Kumar  
 Company Secretary  
 (M.No. A-39286)


 Manoj Agrawal  
 Chief Financial Officer

## Notes to the Financial Statements for the Year Ended March 31, 2016

### 1. **General Information**

B L K Lifestyle Ltd. is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is 100% subsidiary of B L Kashyap And Sons Ltd.

### 2. **SIGNIFICANT ACCOUNTING POLICIES**

The Company follows mercantile basis of accounting. The accounts are prepared on historical cost basis, on going concern basis and are consistent with generally accepted accounting principles and materially comply with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 ( as amended) and the relevant provisions thereof. The significant accounting policies followed by the Company are as stated below:

#### 2.1 **Fixed Assets**

Fixed Assets are shown at cost less accumulated depreciation. Cost comprises of purchase price, import duties and other non refundable taxes or levies and any other directly attributable costs.

#### 2.2 **Depreciation**

- (a) The Company follows the written Down value method in computing Depreciation.
- (b) Depreciation is computed on the basis of useful lives of the Tangible Assets which are in accordance with part 'C' of Schedule II of the Companies Act, 2013.
- (c) Depreciation is computed on intangible Assets in accordance with the Accounting Standard 26.
- (d) The Depreciation is computed on computer software on the basis of expired period of license to use and / or the expired life the assets.
- (e) Items of Fixed Assets costing upto Rs.5,000/- are depreciated at the rate 100% in the year of purchase.
- (f) The residual value of an asset shall not be more than five percent of the original cost of the asset.
- (g) Leasehold improvements are written off over the lease period.

#### 2.3 **Borrowing Costs**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

#### 2.4 **Inventories**

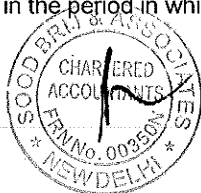
Raw Material, Finished Goods and Work-in-progress at sites are valued at lower of cost and net realizable value.

#### 2.5 **Revenue & Expenditure Recognition**

Revenue Recognition – Job work revenue is accounted using percentage of completion method and on the basis of running bills raised and approved by clients. Sale is recognised on the basis of raising the bills. Revenue Expenditure is accounted on accrual basis as it is incurred.

#### 2.6 **Use of Estimates**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.



## **2.7 Provision for Current and Deferred Tax**

Provision for Current Income Tax is made after taking into consideration various allowances and disallowances as per provision of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

## **2.8 Employees Retirement Benefits**

**Retirement Gratuity and Leave Encashment:** The Company has accounted for liabilities towards Gratuity and Leave Encashment on the basis of actuarial valuations in accordance with the Accounting Standard-15 issued by the Institute of Chartered Accountants of India.

## **2.9 Cash Flow Statement**

Cash Flows are prepared as per the indirect method as specified in the Accounting Standard (AS-3) 'Cash Flow Statement'

## **2.10 Impairment of Assets**

An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired.

## **2.11 Foreign Currency Transactions**

### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### **(ii) Conversion**

Foreign Currency monetary items are reported using the closing rate. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction and non- monetary items which are carried at fair value or similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

### **(iii) Exchange Difference**

Exchange difference arising on settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.



Note 3 Share Capital

(Amount In Rs)

Share Capital	As at 31st MARCH 2016		As at 31st March 2015	
	Number	Amount	Number	Amount
<b>Authorised</b>				
8 % Non- Cumulative Preference Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<b>Issued, Subscribed &amp; Paid up</b>				
50,00,000, 8% preference shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
50,00,000 Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<b>Total</b>	<b>10,000,000</b>	<b>100,000,000</b>	<b>10,000,000</b>	<b>100,000,000</b>

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5,000,000	50,000,000	5,000,000	50,000,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,000,000	50,000,000	5,000,000	50,000,000

B. Terms / Rights attached to Shares

The company has two classes of shares namely Equity & Preference, both have a par value of Rs 10 per share each.

Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

C. Details of shareholders holding more than 5% shares in the company

5,000,000 Equity Shares (Previous year 5,000,000) are held by B L Kashyap and Sons Ltd., the holding company and its Nominees.

5,000,000 8 % Preference Shares (Previous year 5,000,000) are held by B L Kashyap and Sons Ltd., the holding company.

Name of Shareholder	As at 31st March 2016		As at 31st March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
B.L. KASHYAP AND SONS LIMITED ( EQUITY SHARES )	5,000,000	100	5,000,000	100
B.L. KASHYAP AND SONS LIMITED ( PREFERENCE SHARES)	5,000,000	100	5,000,000	100



Note 4 Reserves & Surplus

( Amount in Rs)		
<u>Reserves &amp; Surplus</u>	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
<b>Surplus</b>		
Opening balance		(50,070,917)
(+) Net Profit/(Net Loss) For the current year	(88,027,262)	(37,828,686)
(-) Depreciation on the Assets (Life Zero) *	(17,649,887)	(127,659)
<b>Total</b>	<b>(105,677,149)</b>	<b>(88,027,262)</b>

\* The amount represents arrears of depreciation chargeable on the fixed assets whose life is NIL as on 01.04.2014 as per schedule II of the Companies Act 2013

Note 5 Long Term Borrowings

( Amount in Rs)		
<u>Long Term Borrowings</u>	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
<b>Unsecured Loans &amp; Advances</b>		
From Related Party		
(a) Inter Corporate Deposit from Holding Company - B L Kashyap & Sons Ltd.	113,145,000	113,645,000
(b) From Soul Space Projects Ltd.	7,785,000	4,785,000
(c) From Directors	1,010,000	2,800,000
<b>Total</b>	<b>121,940,000</b>	<b>121,230,000</b>

Unsecured Long Term Loan from Holding Company and others including interest is repayable on demand. This has been classified as 'Long Term Loan' as the company has obtained the view from holding company's management that considering tight liquidity position of the Company there is no likelihood of their asking for its repayment, atleast with in next 5 years.

Note 6 Other Long term Liabilities

( Amount in Rs)		
<u>Other Long term Liabilities</u>	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
Interest Payable on Inter Corporate Deposits	96,654,428	83,640,108
Sundry Creditors(Long Term)	41,494,489	30,963,007
<b>Total</b>	<b>138,148,917</b>	<b>114,603,115</b>

In the opinion of management, the Sundry Creditors Trade (Long Term) payable are those Sundry Creditors which are outstanding for a period of more than one year and hence not in operating cycle of the company.

Note 7 Long Term Provisions

( Amount in Rs)		
<u>Long Term Provisions</u>	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
Provision for employees' benefits		
Gratuity (Unfunded)	1,548,066	1,152,479
Leave Encashment (Unfunded)	132,118	67,809
<b>Total</b>	<b>1,680,184</b>	<b>1,220,288</b>



**Note 8 Short Term Borrowings**

( Amount in Rs)		
Short Term Borrowings	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
<b>Secured</b>		
Cash Credit from Indusind Bank Ltd. (Secured against hypothecation of Stock, Work in progress, Book Debts From Indusind Bank and on personal guarantee of Directors)	30,166,376	31,384,166
Short Term Loan from Indusind Bank Ltd. (Secured against hypothecation of Current Assets and on Personal Guarantee of Directors & Corporate Guarantee of B.L.Kashyap & Sons Ltd (Holding Company)	30,000,000	30,000,000
<b>Total</b>	<b>60,166,376</b>	<b>61,384,166</b>

- i) The loan from Indusind Bank Limited of Rs.3,00,00,000 is repayable after 180 days from the date of disbursement.
- ii) The Company has defaulted in payment of interest of Rs. 9,41,434 to Indusind Bank Limited by 60 days against Short Term Loan.

**Note 9 Trade Payables**

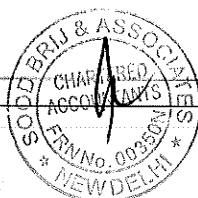
( Amount in Rs)		
Particulars	As at 31st March 2016	As at 31st March 2015
Sundry Creditors	54,202,773	44,806,391
<b>Total</b>	<b>54,202,773</b>	<b>44,806,391</b>

**Note 9.1** The Company has a process of obtaining confirmation from suppliers who have registered themselves under the Micro Small and Medium Enterprises Development Act,2006 ( MSMED Act' 2006) , based on the information available with the Company , the balance due to Micro, Small & Medium Enterprises as defined under MSMED Act ,2006 is as under (As certified by the Management)

( Amount in Rs)			
S No.	Details of dues to Micro, Small and Medium Enterprises As per MSMED Act ,2006	As at 31st March 2016	As at 31st March 2015
i	The Principal amount and the interest due thereon remaining unpaid to any Suppliers as at the end of Year. Principal Amount unpaid: Interest Due	165,301 19,548	2,031,696 363,797
ii	The amount of interest paid by the buyer in terms of section-16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the each accounting year.	-	-
iii	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year, ) but without adding the interest specified under Micro Small and Medium Enterprises Development Act,2006	-	-
iv	The amount of interest accrued and remaining unpaid at the end of the year and	1,422,021	1,402,473
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above or actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 Micro, Small and Medium Enterprises Development Act, 2006	-	-

**Note 10 Other Current Liabilities**

( Amount in Rs)		
Other Current Liabilities	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
-Expenses Payable	7,019,334	6,248,785
-Interest accrued & due	941,434	1,138,294
-Statutory Liabilities	1,949,954	3,863,631
-Advance Taken From Customers	118,824,369	108,361,897
<b>Total</b>	<b>128,735,091</b>	<b>119,612,607</b>





BLK Lifestyle Limited

Fixed Assets as at 31st March, 2016

Note-11

Particulars	GROSS BLOCK AT COST				DEPRECIATION				WRITTEN DOWN VALUE	
	As at 1.4.2015	Additions	Sales / Adjustment	Total	As at 1.4.2015	Sales / Adjustment	For The Year	Total	As at 31.03.2016	As at 31.3.2015
<b>TANGIBLE ASSETS</b>										
Land	25,595,773	-	-	25,595,773	-	-	-	-	25,595,773	25,595,773
Building	43,671,878	-	-	43,671,878	22,068,564	-	2,052,315	24,120,879	19,550,999	21,603,314
Machinery	126,067,608	-	-	126,067,608	93,651,172	-	6,032,691	99,683,864	26,383,744	32,416,436
Air Conditioner	118,000	1,862,700	-	1,980,700	87,455	-	13,765	101,220	1,879,480	30,545
Computer	1,212,831	-	-	1,212,831	1,075,230	-	139,220	1,214,451	(1,620)	137,601
Fans / Cooler	186,738	62,390	-	249,128	181,827	-	2,210	184,037	65,091	4,911
Vehicles-Four Wheels	3,103,408	-	-	3,103,408	2,677,646	-	166,810	2,844,456	288,952	426,762
Vehicles-Two Wheels	46,279	-	-	46,279	33,762	-	3,241	37,003	9,276	12,517
Furniture & Fixture	2,646,027	-	-	2,646,027	2,358,654	-	74,400	2,433,054	212,973	287,373
Television	77,001	-	-	77,001	77,000	-	-	77,000	1	1
Cell Phones	52,854	-	-	52,854	52,842	-	-	52,842	12	12
Office Equipments	890,543	-	-	890,543	673,584	-	109,993	783,577	106,966	216,959
<b>(A)-Total Tangible Assets</b>	<b>203,668,939</b>	<b>1,925,090</b>	<b>-</b>	<b>205,594,029</b>	<b>122,937,736</b>	<b>-</b>	<b>8,594,645</b>	<b>131,532,382</b>	<b>74,061,647</b>	<b>80,731,203</b>
<b>INTANGIBLE ASSETS</b>										
COMPUTERS SOFTWARE	283,475	-	-	283,475	268,101	-	7,735	275,836	7,639	15,374
<b>(B)-Total Intangible Assets</b>	<b>283,475</b>	<b>-</b>	<b>-</b>	<b>283,475</b>	<b>268,101</b>	<b>-</b>	<b>7,735</b>	<b>275,836</b>	<b>7,639</b>	<b>15,374</b>
Add :										
Advance for Land	700,000	-	-	700,000	-	-	-	-	700,000.00	700,000.00
<b>Total (C)</b>	<b>700,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>700,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>700,000.00</b>	<b>700,000.00</b>
<b>Grand Total (A+B+C)</b>	<b>204,652,414</b>	<b>1,925,089.95</b>	<b>0.00</b>	<b>206,577,504</b>	<b>123,205,838</b>	<b>0.00</b>	<b>8,602,380</b>	<b>131,808,218.04</b>	<b>74,769,286</b>	<b>81,446,576</b>
Previous Year	204,872,568	1,534,922	309,370	206,098,120	101,911,824	273,623	230,133.43 *	124,651,544	81,446,576	

(\*) Depreciation has been charged as per schedule II of the Companies Act 2013 and includes Rs. 1,27,659/- arrears of depreciation chargeable on the fixed assets whose life is NIL as on 01.04.2014 which has been charged in the opening balance of retained earnings. In the case of remaining assets as on 01.04.2014 the depreciation has been charged on the basis of remaining useful life.



**Note 12****Calculation of Deferred Tax**

WDV As per Income Tax Act	78,654,514
WDV As per Companies Act	74,769,286
Difference	3,885,228
<b>Deferred Tax Assets 30.9%</b>	<b><u>1,200,535</u></b>
Gratuity/Leave Encashment Provision	1,680,184
<b>Timing Difference</b>	<b><u>1,680,184</u></b>
<b>Deferred Tax Assets (30.9%)</b>	<b>519,177</b>
Provision for Tax (Mat)	-
<b>Deferred Tax Assets (30.9%)</b>	<b><u>-</u></b>
Total Loss to be carried forward	154,059,880
<b>Deferred Tax Assets on Loss(30.9%)</b>	<b><u>47,604,503</u></b>
<b>Total Deferred Tax (Liability)/ Assets</b>	<b>49,324,215</b>
Opening Deferred Tax Assets	41,150,071
As per Profit & Loss Account	<b><u>8,174,144</u></b>



**Note 13 Long term Loans & Advances**

( Amount in Rs)

Long term loans and advances	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
<b>Loans and advances to Others</b> (Unsecured, considered good) Intercompany Deposits (V C Solutions Pvt. Ltd.)	45,000,000	45,000,000
<b>Loans and advances to Related Party</b> (Unsecured, considered good) Soul Space Realty Ltd-Inter Corporate Deposit	3,000,000	-
<b>Total</b>	<b>48,000,000</b>	<b>45,000,000</b>

Long Term Loans and advances given to related party which are recoverable on demand have been classified as Long Term Loan and Advances, as the management is of the view that there is no likelihood of asking for their repayment, atleast within next 12 months.

**Note 14 Inventory (Taken, Valued and Certified by the Management)**

( Amount in Rs)

Inventories	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
a. Raw Materials and components (Valued at lower of Cost and Net Realisable Value)	63,136,707	50,761,597
b. Work-in-progress (Valued at lower of Cost and Net Realisable Value)	64,018,636	63,175,731
c. Finished goods (Valued at lower of Cost and Net Realisable Value)	19,733,254	20,231,172
<b>Total</b>	<b>146,888,597</b>	<b>134,168,500</b>

**Note 15 Trade Receivables**

( Amount in Rs)

Trade Receivables	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
-Unsecured, considered good		
Trade receivables outstanding for a period less than six months from the date they are due for payment	8,776,235	34,378,706
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	100,030,652	69,161,512
<b>Total</b>	<b>108,806,887</b>	<b>103,540,218</b>

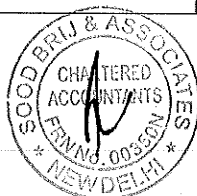
**Note 16 Cash & Cash Equivalents**

Cash and cash equivalents	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
A) Balances with banks		
Earmarked Balances - Fixed Deposit	1,266,236	929,713
Bank Balances	8,268,780	6,059,766
B) Cash on hand	3,304,118	5,567,542
<b>Total</b>	<b>12,839,134</b>	<b>12,557,021</b>

**Note 17 Short term Loans & Advances**

( Amount in Rs)

Short-term loans and advances	As at 31st March 2016	As at 31st March 2015
	Amount	Amount
Security Deposit	7,258,428	6,938,428
Earnest Money Deposit	700,000	800,000
Others	50,609,645	49,228,488
<b>Total</b>	<b>58,568,073</b>	<b>56,966,916</b>



**Note 18 Revenue From Operations**

( Amount in Rs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	Amount	Amount
Sales (Net of Excise Duty)	156,998,499	119,681,933
Job Receipts	17,416,890	36,844,934
<b>Total</b>	<b>174,415,389</b>	<b>156,526,867</b>

**Note 19 Revenue From Other Operations**

( Amount in Rs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	Amount	Amount
Interest Income	5,556,742	4,585,629
Net Gain/Loss on Sale of Assets	-	(1,389)
Share of Profit From Partnership Firm	714,252	715,386
Other Non-operating Income (net of expenses directly attributable to such income)	842,574	2,934,606
Excess Provision of Employee's Benefit Written Back	-	131,105
<b>Total</b>	<b>7,113,568</b>	<b>8,365,336</b>

**Note 20 Cost of Material Consumed**

( Amount in Rs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	Amount	Amount
<b>Cost of Material Consumed</b>		
Opening Cost of Material	50,761,597	43,911,171
Add : <b>Purchases</b>		
Aluminium	2,792,847	1,956,081
UPVC	59,153,198	36,411,593
Steel	7,465,926	6,252,111
Wood	99,015	52,620
Board	1,550,958	967,988
Others	58,356,375	35,441,346
	180,179,916	124,992,910
Less : Closing Stock of Material	63,136,707	50,761,597
<b>Total</b>	<b>117,043,209</b>	<b>74,231,313</b>

**Note 21 Changes in Inventories of WIP & Finished Goods**

( Amount in Rs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	Amount	Amount
<b>Opening</b>		
Work In Progress	63,175,731	77,884,658
Finished Goods	20,231,172	22,000,791
	83,406,903	99,885,449
<b>Less : Closing</b>		
Work In Progress	64,018,636	63,175,731
Finished Goods	19,733,254	20,231,172
	83,751,890	83,406,903
<b>Total</b>	<b>(344,987)</b>	<b>16,478,546</b>



**Note 22 Other Manufacturing Expenses**

( Amount in Rs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	Amount	Amount
Wages Including Welfare Expenses	3,043,543	4,516,770
Purchase Consumables	821,620	27,369,826
Power & Fuel	2,070,711	2,293,467
Repair & Maintenance- Machine	223,111	599,772
Other Expenses	5,340,511	3,991,697
<b>Total</b>	<b>11,499,496</b>	<b>38,771,533</b>

**Note 23 Employees Remuneration & Benefits**

( Amount in Rs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	Amount	Amount
<b>Salaries &amp; Wages -Staff</b>		
Salary	20,612,702	17,688,090
Staff Welfare	169,864	181,506
Medical Expenses	130,269	17,824
E.P.F. Contribution	1,720,945	802,720
Bonus	873,886	241,029
Gratuity	395,587	261,637
Leave Encashment Expenses	64,309	-
<b>Total</b>	<b>23,967,562</b>	<b>19,192,806</b>

**Note 24 Finance Cost**

( Amount in Rs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	Amount	Amount
Interest Expenses	22,220,254	26,276,503
Other Borrowing Costs	26,691	89,098
<b>Total</b>	<b>22,246,945</b>	<b>26,365,601</b>



**Note 25 Administrative & Other Expenses**

( Amount in Rs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	Amount	Amount
Brokerage and Commission Expenses	45,000	-
Business Promotion Expenses	-	26,049
Charity and Donation	-	500
Computer Repair & Maintenance	54,022	65,880
Conveyance Expenses	436,208	464,182
Filing Fees	4,612	18,412
General Expenses	129,433	470,741
Interest on Govt. Dues	457,651	349,685
Insurance Expenses	397,508	187,711
Legal & Professional Expenses	500,284	613,352
License Fees	10,311	81,300
Newspaper & Periodicals Expenses	3,630	14,955
Office Expenses	156,725	130,533
Postage & Courier Charges	163,506	213,194
Printing & Stationery	135,307	84,632
Rates & Taxes	89,107	81,474
Rent	8,374,596	7,619,137
Rent of Guest House	717,340	522,744
Security Charges	1,651,437	1,761,181
Misc. Expenses Written Off	155	1,163
Sundry Balances Written off	-	6,973
Telephone & Mobile Charges	271,361	312,787
Tender Fees	-	5,500
Director's Sitting Fee	27,500	32,500
Testing Charges	-	500
Travelling Expenses	1,812,132	586,658
Vehicle Running & Maintenance	358,896	473,488
Loss on Theft	-	79,944
Sales Tax Expenses	251,155	275,960
Swachh Bharat Cess - Expense	18,450	-
Guest House Expense	16,281	-
<b>Auditor's Remuneration</b>		
- Audit Fees	130,000	146,068
<b>Total</b>	<b>16,212,606</b>	<b>14,627,203</b>



## 26.1 Contingent liabilities

### A Claims against the company not acknowledged as debt:

- (a) Liability in respect of Service Tax Demand not acknowledged Rs. 8,32,244/- (Previous Year Rs. 8,32,244/-)

### B Guarantees:

Liability in respect of Bank Guarantees is Rs. 1,25,000 (Previous Year – Rs 4,25,000).

### C Other Money for which the Company is liable:

Estimated amount of contracts remaining to be executed on Capital Account and not Provided for is NIL (Previous Year - NIL).

## 26.2 Related Party Disclosure

### A) List of Related Parties

#### (i) Holding Company

#### Status

B. L. Kashyap And Sons Ltd. Limited Company

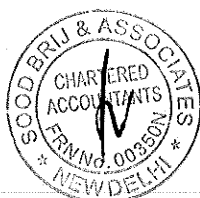
#### (ii) Associates

#### Status

(a) B.L.K. Financial Services Limited	Limited Company
(b) Soul Space Projects Ltd.	Limited Company
(c) Soul Space Realty Ltd.	Limited Company
(d) Soul Space Hospitality Ltd.	Limited Company
(e) B.L.K. Securities Private Limited	Private Limited Company
(f) Ahuja Kashyap Malts Pvt. Ltd.	Private Limited Company
(g) Bezel Investments & Finance Pvt. Ltd.	Private Limited Company
(h) B.L. Kashyap & Sons	Partnership Firm
(i) Aiyana Trading Pvt. Ltd.	Private Limited Company
(j) Chrysalis Trading Pvt. Ltd.	Private Limited Company
(k) Chrysalis Realty Projects (P) Ltd.	Private Limited Company
(l) Security Information Systems (India) Ltd.	Limited Company
(m) Kasturi Ram Herbals Industries	Partnership Firm
(n) Eon Auto Industries Pvt. Ltd.	Private Limited Company
(o) BLK Infrastructure Limited	Limited Company
(p) Suryakant Kakade and Soul Space	Partnership Firm
(q) BLK-NCC Consortium	Association of Persons
(r) BLK-BILIL Consortium	Association of Persons
(s) BL Kashyap-HUF	HUF
(t) Becon (I)	Partnership Firm
(u) B L Kashyap & Sons Software Pvt Ltd	Private Limited Company

#### (iii) Key Management Personnel

a) Mr. Vinod Kashyap	Director
b) Mr. Vineet Kashyap	Director
c) Mr. Vikram Kashyap	Director
d) Mr. Nitin Sondhi	Director
e) Mrs. Amrita Kashyap	Director
f) Mr. Sahil Kashyap	Director



(iv) **Relatives of Key Management Personnel, if could influence**

a) Mrs. Anjoo Kashyap	Wife of Mr. Vinod Kashyap
b) Mrs. Aradhana Kashyap	Wife of Mr. Vineet Kashyap
c) Mr. Mohit Kashyap	Son of Mr. Vinod Kashyap
d) Mrs. Nitika Nayar Kashyap	Wife of Mr. Mohit Kashyap
e) Mrs. Malini Kashyap Goyal	Daughter of Mr. Vinod Kashyap
f) Mr. Saurabh Kashyap	Son of Mr. Vineet Kashyap
g) Mrs. Mayali Kashyap	Wife of Mr. Saurabh Kashyap
g) Mrs. Shruti Choudhari	Daughter of Mr. Vineet Kashyap
h) Mrs. Sanjana Kashyap Kapoor	Daughter of Mr. Vikram Kashyap
i) Mr. Sahil Kashyap	Son of Mr. Vikram Kashyap
j) Mrs. Amrita Kashyap	Wife of Mr. Vikram Kashyap

**B. Transactions with related parties during the year**

(Rs in Lakhs)

Particulars	Holding	Associates	Key Management	Relatives	Total
Job Receipt Booked	28.96 (18.49)				28.96 (154.56)
Sale of Material	17.01 (154.56)	44.91 (69.10)			61.92 (87.59)
Purchase of Material		162.81 -			162.81 -
Inter Corporate Deposit Taken	330.00 (337.00)	77.85 -			407.85 (337.00)
Inter Corporate Deposit Matured	335.00 (300.05)	60.00 -			395.00 (300.05)
Inter Corporate Deposit Given		42.15 -			42.15 -
Interest Income on Inter Corporate Given		1.67 -			1.67 -
Interest Expenses on Inter Corporate Taken	125.90 (145.46)	4.25 (6.22)			130.14 (147.79)
Profit Received from Partnership firm		7.14 (7.15)			7.14 (7.15)
Rent Paid		9.72 (9.72)			9.72 (9.72)
Loan Taken From Director			9.75 (49.00)		9.75 (49.00)
Loan Repay To Director			27.65 (20.00)		27.65 (20.00)





**C Balance with related parties as at March 31,2016**

Rs. In Lakhs

Particulars	Holding	Associates	Key Management	Relatives	Total
Trade receivables, Unbilled revenue, Loan and advances, Other assets (net)		78.47 (19.38)			78.47 (19.38)
Trader Payable, Income received in advance, Advances from customers, Other Liabilities	2420.65 (2230.25)	144.95 (103.18)	10.10 (29.00)		2575.70 (2362.43)

(Amount in brackets are that of previous year)

In respect of above parties, there is no provision for doubtful debts as on 31-03-2016 and no amount is written off or written back during the year in respect of debt/loan & advances due from/to them.

**26.3 Statement of investment in partnership firm –**

Name of the Firm	Name of Partners	Capital Investments	Profit Sharing Ratio
Kasturi Ram Herbal Industries	1.Kasturi Ram Herbal Industries	Nil	5%
	2. B L K Lifestyle Limited	Nil	95%

**26.4** The Company has constructed building on the land against which the company has entered into "Agreement to Sell" with the seller, Pending execution and registration of sale deed in company's name, a lease agreement has been executed, to enable the company to construct building there upon.

**26.5** Balances of the Parties are subject to Confirmation.

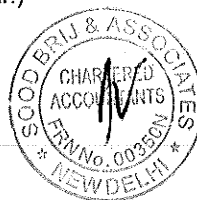
**26.6** In the opinion of the Board of Directors all its assets other than Fixed Assets and Non Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**26.7** In accordance with the Accounting Standard 28 on "Impairment of Assets" issued by institute of Chartered Accountants of India, no asset has been identified for impairment by the Company during the year.

**26.8 Consumption of Materials:**

Items	Imported (Rs.)	Indigenous (Rs.)	Total (Rs.)	% of Consumption of Imported Material
Raw Material	0 (29,40,310)	11,70,43,209 (7,12,91,003)	11,70,43,209 (7,42,31,313)	0 (3.96%)

(Amounts in bracket are that of previous year.)



26.9 The following tables set out the status of the Gratuity/ Leave Encashment plan and other benefits as required under the revised Accounting Standard -15 issued by The Institute of Chartered Accountants of India.

a) Gratuity Liability as Recognized in the Balance Sheet:-

Sl. No.	Assets / Liability	31 <sup>st</sup> March 2016	31st March 2015
a	Present value of obligation	(15,48,066)	(1152479)
b	Fair Value of Assets	-	-
c	Net assets / (liability) recognized in balance sheet	(15,48,066)	(1152479)

b) Gratuity Expense recognized in the statement of Profit and Loss Account

Sl. No	Particulars	31 <sup>st</sup> March,2016	31st March 2015
a)	Present value of obligation as at the beginning of the period (1st April, 2015)	11,52,479	9,41,380
b)	Acquisition adjustment	-	-
c)	Interest cost	91,161	73,522
d)	Past service cost	-	-
e)	Current service cost	3,06,735	2,56,529
f)	Benefits paid	-	-
g)	Actuarial (gain)/loss on obligation	(2,309)	(1,18,952)
h)	Present value of obligation as at the end of period (31st March,2013)	15,48,066	11,52,479
i)	Expenses recognized in the statement of profit & losses	3,95,587	2,11,099

c) Leave Encashment Liability recognized in the Balance Sheet:-

Sl. No	Particulars	31 <sup>st</sup> March,2016	31st March 2015
a)	Present value of obligation as at the end of the period	1,32,118	67,809
b)	Fair value of plan assets as at the end of the period	-	-
c)	Funded status	(1,32,118)	(67,809)
d)	Excess of actual over estimated	-	-
e)	Unrecognized actuarial (gains)/losses	-	-
f)	Net asset/(liability)recognized in balance sheet	(1,32,118)	(67,809)

d) Leave Encashment Expense recognized in the statement of profit and loss:-

Sl. No	Particulars	31 <sup>st</sup> March,2016	31 <sup>st</sup> March,2015
a)	Current service cost	46,424	21,424
b)	Past service cost	-	-
c)	Interest cost	5,364	15,535
d)	Expected return on plan assets	-	-
e)	Curtailment cost / (Credit)	-	-
f)	Settlement cost / (credit)	-	-
g)	Net actuarial (gain)/ loss recognized in the period	12,521	(1,68,064)
h)	Expenses recognized in the statement of profit & losses	64,309	(1,31,105)



26.10 Earnings per Share (EPS)

(Amount in Rs.)

Particulars	2015-2016	2014-2015
a. Net Profit available for Equity Shareholders	(1,76,49,887)	(3,78,28,686)
b. Number of Equity Shares used as denominator for calculation of EPS	50,00,000	50,00,000
c. Basic and Diluted Earnings per Share of face value of Rs.10/- each(previous year face value of Rs. 10/-each)	(3.53)	(7.57)

26.11 **Segment Reporting:** The Company has one reportable segment to the Board of Directors namely revenue from manufacturing and executing contracts of hard furnishing in India.

26.12 Additional information pursuant to Para 5 of Part II of Schedule III to the Companies Act, 2013 to the extent applicable.

Expenditure in Foreign Currency on account of (Amount in Rs.)	2015-16	2014-15
Purchase of Raw Material	-	29,40,310
Purchase of Fixed Assets	1735904	7,49,149

26.13 Previous year's figures have been re-grouped, recast to make them comparable with figures of current year.

For SoodBrij & Associates  
Chartered Accountants  
Firm registration No 00350N

For and on Behalf of the Board of Directors.

A.K. Sood  
Partner  
Membership No 14372



Vinod Kashyap  
Director  
(DIN: 00038854)

Vineet Kashyap  
Director  
(DIN: 00038897)

Place: New Delhi  
Date: 27th May, 2016

Sharvan  
Sharvan Kumar  
Company Secretary  
(M.No. A-39286)

Manoj Agarwal  
Manoj Agarwal  
Chief Financial Officer